

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7301

BILL NUMBER: SB 464

NOTE PREPARED: Apr 29, 2013

BILL AMENDED: Mar 19, 2013

SUBJECT: Education Funding for Children in Residential Care.

FIRST AUTHOR: Sen. Kruse

FIRST SPONSOR: Rep. Behning

BILL STATUS: Enrolled

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that if a student is placed in a state licensed residential mental health facility under written orders of a licensed physician, if the student receives educational services provided by the facility, and if certain other conditions are satisfied, the school corporation receiving state tuition support for the student at the time of the student's admission to the facility shall pay the facility a per diem for the educational services provided by the facility to the student during the student's admission in the facility.

The bill specifies that the amount such a school corporation shall pay to a facility is the amount, prorated according to the number of instructional days for which the student receives the educational services, that is equal to: (1) the student's proportionate share of basic tuition support distributions that are made to the school corporation for the school year; and (2) any special education grants received for the student.

The bill requires a facility to provide written notice to the school corporation not later than five business days after a student is admitted to the facility. It provides that for each student admitted to a facility, the facility shall provide the following in accordance with rules adopted by the State Board of Education: (1) An educational opportunity, including special education and related services, that is comparable to that of a student attending a school in the school corporation. (2) A level of educational services from the facility that is comparable to that of a student attending a school in the school corporation.

The bill requires that the educational services at a facility must be provided by licensed teachers.

The bill provides that the State Board of Education shall adopt a rule that addresses the responsibilities of the school corporation and the facility with regard to a student with an individualized education program. It

requires the State Board of Education to adopt rules to implement these provisions, and allows the state board to adopt emergency rules.

Effective Date: July 1, 2013.

Explanation of State Expenditures: *Summary:* The impact on the State Board of Education to adopt rules that address the responsibilities of the school corporation and the facility with regard to a student with an individualized education program and implement the law should be minor.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) *Summary:* The bill would require a school to send a portion of their state tuition support distributions that it receives for a student placed in a secure private facility licensed by Indiana or another state under written orders of a licensed physician to the facility, if the student is provided appropriate education services. The school would count the student in their ADM for tuition support calculations.

The amount sent to the facility would be a daily rate based on a 180-instructional-day school year. It is unknown how many students are in secure private facilities as defined by the bill under written orders of a licensed physician.

Background. The daily rate for tuition support for CY 2013 is about \$31 per student.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Local schools.

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.